



PHILIP MORRIS

U.S.A.

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June 27, 1994

Mr. Mitchel Rothschild, General Manager
TIME WARNER'S VIEWER'S EDGE
Time & Life Building, 43rd Floor
Rockefeller Center
New York, New York 10020

Dear Mitch,

Per our phone conversation this afternoon, you will find both copies of the Final Revised Contract, which combines the B&H Video Offer with the Cambridge Video Offer. Please initial the Exhibit B Page 2 of 2 below where I have marked and initialed the change from the two to three-pound UPS rate. After initialing this change, please return one signed copy to my attention via messenger, retain the other in your file for reference.

Regarding invoicing on the above two programs, each invoice separated by Brand Program Name should reference the assigned contract no. HM020094, as well as an Accounting Code number indicated below. Each invoice must include the proper accounting code to ensure proper payment coding and processing. The accounting codes are as follows for each Brand program:

FOR VIDEO COSTS:

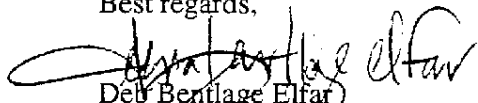
- B&H Video Offer Accounting Code #043133-3301-12K220
- Cambridge Video Offer Accounting Code #043133-3301-32K740

FOR FULFILLMENT CHARGES:

- B&H Video Offer Accounting Code #043315-3301-12K220
- Cambridge Video Offer Accounting Code #043315-3301-32K740

Thanks for your cooperation on the above noted revision and prompt response to my phone inquiry today regarding the B&H consumer issue relative to video quality. Please feel free to contact me if you have questions or concerns regarding either program.

Best regards,


Deb Bentlage Elfar
Manager, Purchasing
Premium & Discount Brands

enclosure: Time-Warner Video Contracts (2 copies)

cc: K. Bunte J. Lawrence
P. Henriques E. Marini
S. Rush V. Murphy
V. Strychack B. Turo

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